

## COPY OF TRANSCRIPT

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF OHIO  
WESTERN DIVISION

DOUGLAS W. BAILLIE,

Plaintiff,

vs.

No. C-1-02-062

CHUBB & SON INSURANCE,

Defendant.

The telephonic discovery deposition of GREGORY W. TAZIC taken in the above-entitled cause, before LISA A. MONDELLI, a notary public of DuPage County, Illinois, on the 5th day of September, 2003, at 500 Park Boulevard, Suite 600, Itasca, Illinois, at 1:00 p.m., pursuant to Notice.

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Exhibit H

1 A. At that time, there was a  
2 dual accountability reporting  
3 structure for claims. So I reported  
4 to the branch manager who was Bill  
5 Reynolds at the time and then I also  
6 reported to the zonal -- the zone  
7 claim manager who was, oh, it is  
8 either Bill Crowley (phonetic) or  
9 Michael Stapleton. I don't recall.

10 Q. Okay. And what year did  
11 you become a regional claim manager?

12 A. I actually assumed several  
13 responsibilities, including the  
14 oversight of Cleveland, Louisville,  
15 Indianapolis, and for some time  
16 Pittsburgh, so I had a regional title  
17 or a regional role probably beginning  
18 maybe in '99, maybe even a little bit  
19 earlier.

20 Q. Okay. And in that role,  
21 who were your supervisors?

22 A. Actually at that time, my  
23 direct supervisor was a gentleman by  
24 the name of John Molar (phonetic) and

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1 then also Mike Stapleton.

2 Q. What was Mr. Molar's  
3 position with the -- with Chubb?

4 A. John Molar was the Mideast  
5 regional claim manager.

6 Q. And what was the position of  
7 Mr. Stapleton?

8 A. Mike Stapleton was the  
9 Midwest regional claim manager.

10 Q. And you reported to both of  
11 these gentlemen?

12 A. The claim department at that  
13 time was reorganizing and changing  
14 from zones to regions. So for some  
15 part of that time, I was working for  
16 Mike and then we switched and my  
17 territory became part of a different  
18 region and I started working for  
19 John.

20 Q. Okay. And did you continue  
21 as the regional claim manager then up  
22 until you became a marketing manager  
23 in March of '03?

24 A. Yes.

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1 Q. Were there any other ways in  
2 which Mr. Baillie participated in the  
3 Outreach programs that you recall?

4 A. Do you mean Outreach by the  
5 free store food bank?

6 Q. The food bank, minority  
7 mentoring program, or any other  
8 Outreach-type programs that you all  
9 may have implemented as part of the  
10 Diversity Committee?

11 A. Not that I can recall, no.

12 Q. Overall did you believe Mr.  
13 Baillie was supportive of the  
14 Diversity Committee?

15 A. No.

16 Q. How was he -- how was he  
17 not supportive of the Diversity  
18 Committee?

19 A. There was a -- there was  
20 one instance in which -- there was an  
21 instance in which -- in which Doug  
22 made a comment regarding working women  
23 and that companies that typically show  
24 some type of flexibility for women in

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1 the workplace usually end up going  
2 under.

3 And so when you say  
4 support Diversity Committee, it's fine  
5 to support a few of the items but  
6 the idea behind the Diversity  
7 Committee was that we were supposed  
8 to be creating a culture of  
9 inclusion. So, you know, letting  
10 people go and do a free store food  
11 bank and then in a separate  
12 discussion talk about working women  
13 bringing down the workplace to me was  
14 not very supportive.

15 Q. Are you saying that he said  
16 that working women are bringing down  
17 the workplace or he expressed  
18 opposition to flex time?

19 A. He said that women that work  
20 and that do have kind of that  
21 flexible schedule or need a flexible  
22 schedule companies that allow that go  
23 under.

24 Q. Did he express this opinion

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1 regarding flexible schedules as to  
2 men?

3 A. No, he didn't mention men.

4 Q. You described this as one  
5 instance. Is this -- is this the  
6 only instance that you would base  
7 your opinion on that he was not  
8 supportive of the Diversity Committee?

9 A. That's the -- that is the  
10 one instance that sticks out in my  
11 head.

12 Q. Are there any other  
13 instances or circumstances that cause  
14 you to arrive at the opinion that he  
15 was not supportive of the Diversity  
16 -- Diversity Committee?

17 A. Yes.

18 Q. What else?

19 A. It would have been nice if  
20 Doug would have -- it would have been  
21 somewhat supportive if Doug could have  
22 participated in our discussions about  
23 what we wanted to do for the branch  
24 from a Diversity Committee standpoint.

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1 MR. NAPIER: Q. All  
2 right. Sir, what I'm trying to make  
3 sure I understand is when you would  
4 want to meet with him regarding the  
5 Diversity Committee he did not refuse  
6 to meet with you; is that correct?

7 A. Yes.

8 Q. Was it his role to attend  
9 the Diversity Committee meetings?

10 A. Are you asking from my  
11 opinion?

12 Q. Well, I'm asking for your  
13 knowledge. Did you understand that  
14 he as the regional branch manager was  
15 to attend the Cincinnati Diversity  
16 Committee meetings?

17 A. As the branch manager and as  
18 the regional branch manager and I  
19 would have -- I would have expected  
20 as a demonstration of strong  
21 leadership skills within the branch to  
22 attend a Diversity Committee meeting,  
23 yes.

24 Q. Did I -- during his tenure

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1 like at least perceive ignore what  
2 was going on in the room.

3 Again, I was -- I was  
4 -- I was pretty amazed that somebody  
5 would do that.

6 Q. Do you know when this  
7 instance occurred?

8 A. I don't specifically  
9 remember the date but it was along  
10 the lines when -- it had to have  
11 been -- oh, I'd be guessing if I  
12 thought the date.

13 It was when we were  
14 starting to get -- starting to work  
15 on trying to get rate. So it was  
16 more than one of the earlier meetings  
17 in the process which at that time it  
18 wasn't like, you know, the last six  
19 months or so where, you know, the  
20 rest of the market was on board. I  
21 mean, we were trying to do some  
22 things in -- in CIS that were very  
23 difficult, were very, very difficult.  
24 Sending a message of needing more

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1 rate that -- and trying to keep  
2 renewals and to make money.

3 And like I said, the  
4 timing of that was -- it was pretty  
5 critical and -- and, you know, Dieter  
6 was a pretty vocal leader and a big  
7 leader in the territory, and I don't  
8 know. I just -- again, to open up  
9 that newspaper was just -- it kind of  
10 floored me.

11 Q. Do you know what year this  
12 occurred, whether it was '99, 2000,  
13 2001?

14 A. I don't recall. I don't  
15 recall the year.

16 Q. You've used the term CIS.  
17 Just for clarity, what -- what does  
18 that mean?

19 A. Commercial insurance.

20 Q. Okay. The meeting was being  
21 conducted by Mr. Korte?

22 A. Yes.

23 Q. And do you know how long  
24 the meeting had been in process when

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1 a meeting?

2 A. Specifically reading a  
3 newspaper, no, but other instances  
4 that demonstrated to me this same  
5 lack of leadership, yes.

6 MR. MONTGOMERY: Hey,  
7 Greg, he's not asking you that right  
8 now. You might -- you better try to  
9 focus more on the exact question.  
10 He's just asking about the newspaper  
11 right now.

12 THE WITNESS: Okay.

13 MR. NAPIER: Q. All  
14 right. What other instances other  
15 than -- I think what you've said then  
16 is you don't recall any other  
17 occasions where he read a newspaper  
18 at a meeting; is that correct?

19 A. That's correct.

20 Q. All right. What other  
21 instances do you recall that you  
22 concluded he displayed a lack of  
23 leadership?

24 A. One instance was during a

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1 A. Approximately 50.

2 Q. All right. When he  
3 indicated that there was a problem or  
4 he didn't know what that slide meant,  
5 did anyone volunteer or offer any  
6 information, an explanation for the  
7 slide?

8 A. No.

9 Q. Do you recall whether or not  
10 you ever complained to Diane Haggard  
11 about this instance that you've  
12 described?

13 A. I may have but I  
14 specifically don't recall if I did or  
15 did not.

16 Q. Are there any other  
17 instances that you recall where you  
18 felt that Mr. Baillie engaged in  
19 inappropriate behavior or showed a  
20 lack of leadership?

21 A. Yes.

22 Q. Tell me about it.

23 A. One time -- excuse me.  
24 There was a contract with a

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1 third-party administrator for -- that  
2 was owned by one of our agents that  
3 existed in the Cincinnati branch for  
4 maybe 15 years, and that contract was  
5 agreed to by a prior branch manager.

6 And what -- when I  
7 found out about it, the purpose that  
8 the -- the intent from information  
9 that I was able to gather was that  
10 this contract had been put in place  
11 in order to help generate some  
12 additional revenue from that  
13 particular agency.

14 However, this TPA, this  
15 third-party administrator that they  
16 were using, there were some reporting  
17 issues. They were sending us like  
18 notification on claims, they were not  
19 looping us in on claims that were  
20 exceeding their authority, and there  
21 were a few other issues that we tried  
22 to correct.

23 And I had a  
24 conversation with Doug that we need

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1 to figure out what we want to do  
2 with this contract. That if we want  
3 to terminate it, which I think we  
4 should, we need to do that; or if  
5 you want to use this to try to  
6 generate some additional revenue, I  
7 can work with these guys to try and  
8 -- excuse me, to try and, you know,  
9 you know, correct some of the things  
10 that were wrong.

11 In our discussions, we  
12 agreed that this was probably the  
13 time to terminate that particular  
14 third-party administrative agreement,  
15 and so Doug and I agreed to go down  
16 to visit with that agent.

17 And prior to our  
18 meeting, we discussed how we were  
19 going to do this. And my comments  
20 to Doug and my understanding of how  
21 it was going to work was that this  
22 agreement, since it had been put into  
23 place by a branch manager and that it  
24 was to generate revenue from an

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1 agent, that the actual message that  
2 this would need to be terminated  
3 should come from Doug, and that I  
4 would be happy, you know, to be there  
5 and I could support and I could go  
6 through detail -- I could do  
7 whatever, but the message had to be,  
8 you know, from Doug to the principal  
9 of this agency. And that was what  
10 we agreed to and talked about.

11 And we drive down to  
12 this meeting, and Doug and I sit  
13 across from the principal, and they  
14 say, I know you want to talk about  
15 this third-party administrative  
16 contract, what's the deal?

17 And Doug turns to me  
18 and goes, Greg, it's your show, go  
19 ahead. Just kind of turned to me,  
20 as if everything we had talked about  
21 and how we were going to send this  
22 message and that I thought it was  
23 important and we agreed that the  
24 message to send to this agent that

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1 they were terminating this contract  
2 should come from someone at Doug's  
3 level since someone at Doug's level  
4 had agreed to it in the first place.

5 We sat across there and  
6 it was as if, you know, he just kind  
7 of threw it to me and said it's your  
8 responsibility but again just kind of  
9 turned to me and just said, you know,  
10 Greg, and that was it and just stared  
11 blankly at me.

12 And that was an  
13 instance of which again going back to  
14 what I thought which was the  
15 leadership issue.

16 Q. Were you able then to  
17 fulfill Doug's expectations and go  
18 ahead and explain I guess to the  
19 principal that the contract was being  
20 terminated?

21 A. I tried to explain it as  
22 best I could.

23 Q. Did Doug reprimand you or  
24 anything of that nature following the

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1 estimate as far as whether it was  
2 monthly, weekly, quarterly, annually.  
3 I just recall seeing him in the  
4 branch on more than one occasion but  
5 I don't know specifically how many  
6 that would be.

7 Q. And you recall no  
8 conversations with either Mr. Szerlong  
9 or Mr. Ekdahl pertaining to Mr.  
10 Baillie?

11 A. None that I can recall.

12 Q. Do you recall other than a  
13 conversation any time in which you  
14 sent any kind of communication to Mr.  
15 Szerlong or to Mr. Ekdahl, such as an  
16 e-mail or correspondence, when you  
17 complained about Mr. Baillie?

18 A. None that I can recall.

19 Q. Was it your estimation or  
20 your evaluation that Mr. Baillie had  
21 some strengths as a branch manager?

22 A. My evaluation is that -- of  
23 Doug as a branch manager is I would  
24 say he probably -- I would say he

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1 had one strength.

2 Q. What was that?

3 A. For a limited number of  
4 agents, he was fairly sociable with  
5 them and that's a pretty small piece  
6 of the job.

7 Q. Any other strengths that you  
8 observed in Mr. Baillie as a branch  
9 manager?

10 A. No.

11 Q. Are you familiar with the  
12 Chubb Code of Conduct?

13 A. Yes.

14 Q. Were there any occasions  
15 where you felt Mr. Baillie violated  
16 the Chubb Code of Conduct?

17 A. Well, there was one instance  
18 in which I thought at a golf outing  
19 that I was with Doug that his  
20 behavior towards the end of the round  
21 seemed a little unusual, and he had  
22 had a couple of beers or had been  
23 drinking basically the entire round,  
24 and we were with an agent and an

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1 I was aware of.

2 Q. Were there any other  
3 occasions, such as golf outings,  
4 social functions, marketing functions,  
5 where you felt Mr. Baillie engaged in  
6 inappropriate behavior?

7 A. Other than the instances  
8 that I had listed before like those  
9 ones that we had talked about, those  
10 individual instances, I can't recall  
11 any other ones.

12 Q. All right. You indicated  
13 earlier in your testimony that Mr.  
14 Baillie had made a comment I believe  
15 regarding working women that you felt  
16 was inappropriate. Were there any  
17 other occasions you recall when he  
18 made comments that you felt were  
19 sexist or demeaning to women?

20 A. Not that I can recall.

21 You guys there?

22 Q. Yeah, we're here.

23 Give me a few moments.

24 I'm looking over my notes. I think

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1 we're -- we're getting towards the  
2 end.

3 Did you feel that Mr.  
4 Baillie supported your claims  
5 operations?

6 A. No.

7 Q. Why do you -- what's the  
8 basis of your opinion that he did not  
9 support your claims operations?

10 A. He didn't really get  
11 involved in any of my operation so I  
12 don't think he either -- I don't  
13 think he supported it at all. I --  
14 I -- he wasn't engaged in the claim  
15 piece.

16 Q. He left that up to you?

17 A. Yes, I managed that piece,  
18 yes.

19 Q. If you -- and again, I want  
20 to make sure I understand this. If  
21 you had a question or -- or a matter  
22 that you needed to discuss with Mr.  
23 Baillie, did he ever refuse to meet  
24 with you?

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1 said -- you know, a question was like  
2 whether or not I was surprised, and  
3 you know, my comment to Dieter was  
4 all of the things that, you know, and  
5 all of the comments and all of the  
6 things that we had talked about with  
7 respect to lack of leadership and we  
8 didn't think Doug was -- had the  
9 skills that it took to be a good  
10 regional manager or a branch manager.

11 You feel sorry for him,  
12 but you know what, it was -- you  
13 feel sorry for him but not surprised.

14 Q. Had you and Mr. Korte had  
15 discussions in which you both  
16 expressed that you did not feel that  
17 Mr. Baillie had the leadership skills  
18 to run the region or the branch?

19 A. Along the same lines of  
20 maybe some discussions I would have  
21 had with Diane and some other  
22 managers.

23 I don't specifically  
24 recall; but over the course of Doug's

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